

# Envision Arlington Fiscal Resources Task Group

Date: September 17, 2020

Time: 7:30 - 9:00pm

Location: Virtual Meeting by Zoom

Registration required > https://us02web.zoom.us/meeting/register/tZApfu6ggzItGNWcldgUMEPOCzQE9QXytFGT

\*Notice to the Public on meeting privacy\*

In the interests of preventing abuse of videoconferencing technology (i.e. Zoom Bombing) all participants, including members of the public, wishing to engage via the Zoom App must register for each meeting and will notice multi-step authentication protocols.

Please allow additional time to join the meeting. Further, members of the public who wish to participate without providing their name may still do so by telephone dial-in information provided.

If you have not used Zoom before, please join the meeting 5 to 10 minutes early.

At the start of the meeting, we will perform the following required tasks:

- 1. Confirm first and last name of everyone on the call for the minutes and make sure that everyone can hear each other
- 2. Read Required Preamble to Remote Meetings
- 3. Introduce all members, staff, and persons on the agenda
- 4. Review "ground rules" for online meetings
- 5. Meeting materials will be available online through Novus or Town website for the public

# FRTG Agenda for September 17, 2020

- 1. Welcome and Introductions
- 2. Project planning [Primer updates, Financial plan update, Inspections/Assessments, Other]
- 3. Town's Financial plan status Discussion
- 4. Inspections/Assessment Review (see attached materials)
- 5. New/Outstanding business New project ideas are always welcome
- 6. Next meeting

## Observations

## **Building permits**

Using information kindly provided by Mr. Byrne and available on the Assessor web pages

Five year average building permit value (Total minus town) x 1.25 (WEP) Approx. \$80M/yr

## **New Growth**

Five year average Approx. \$90M/yr \$1M Tax value

Q: Assuming that a majority of building permits are for work that does not qualify for new growth .. Why is permit dollar value less than new growth dollar value?

#### Inspections

Using information provided from a public record request with the kind assistance of Mr. Tierney and staff

89 percent of properties have been visited in the past five years (see graph)

Yet only 26% of properties have been inspected (see graph)

## **New Growth**

Inspection of property cards reveals numberous situations where substantial work has been done without incremental change in value (new growth?) beyond simple inflationary increases

#### Discussion

Potential remedies

Changes in building permit process and policies

Changes in assessor inspection process and policies

See attached flow chart for possible remedies

			2016	2017	2018	2019	2020	
		\$	1,337,666 \$	1,070,144 \$	1,263,812	\$ 981,206 \$	816,616	New Growth
Avg Tax Rate	12		12.8	12.56	12.13	11.26	11.06	Tax Rate
Avg Growth \$\$\$	\$ 90,974,518	\$	104,505,156 \$	85,202,548 \$	104,188,953	\$ 87,140,853 \$	73,835,081	Growth \$\$\$
Avg New Growth	\$ 1,091,694	_						Tax New Growth
Minus Condo	\$ 54,584,711	_	2016	2017	2018	2019	2020	
Minus Commercial	\$ 50,490,858	\$	67,747,564 \$	55,747,564 \$	66,418,942	\$ 71,536,282 \$	78,665,430	Total
		\$	4,999,059 \$	9,371,621 \$	3,148,681	\$ 567,209 \$	9,193,372	Town
	VVV	\$	62,748,505 \$	46,375,843 \$	63,270,261	\$ 70,969,073 \$	69,462,058	Net
Average	\$ 78,206,435 <b>???</b>	\$	78,435,631 \$	57,969,804 \$	79,087,826	\$ 88,711,341 \$	86,827,573 <b>1.25X</b>	Permits

What percentage of permits is new growth eligible?

See above

What percentage of new growth is condo conversions?

98% of Condo growth

Inspections 26% Inspected (1999-2020)

Inspections 74% Not Inspected (1999-2020)

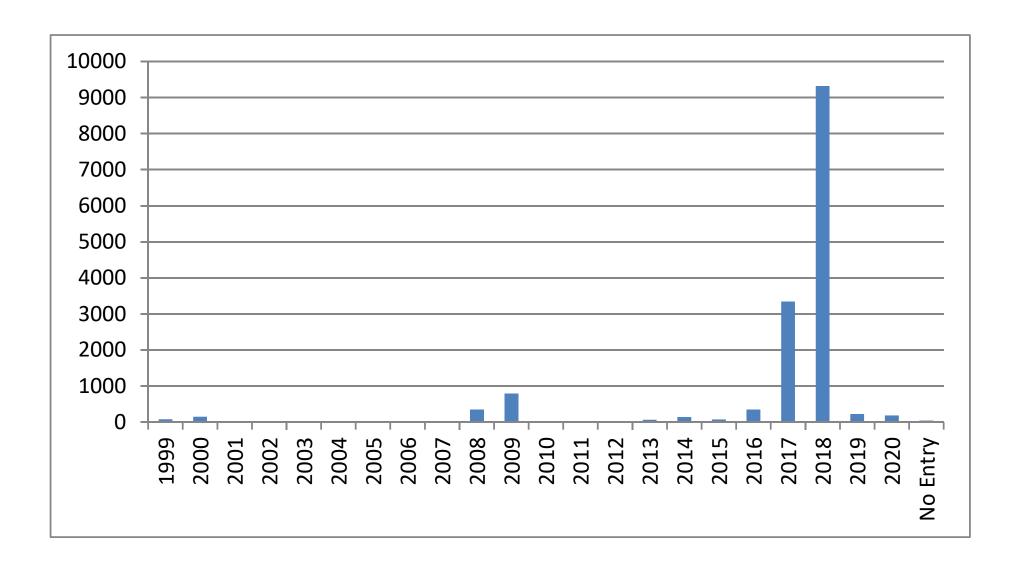
Inspections 11% not visited in past five years

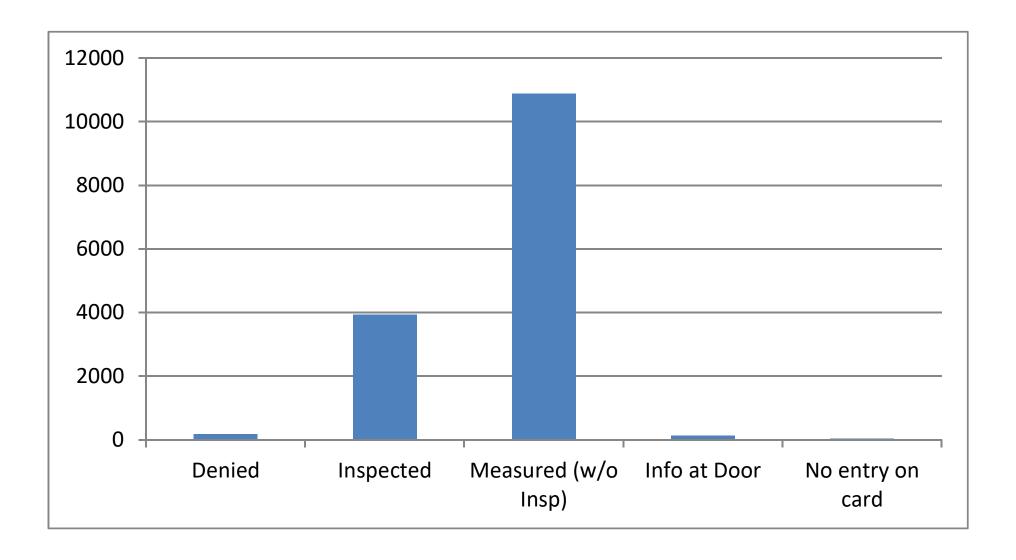
# Questions

What are the deliverables for the Patriot Property inspection contract?

Potential fee/fine structure - Starting work without permit 3X .. Finished without permit 5X plus \$300 fine

Inspections verify the building permit work value .. If higher then penalty permit .. And refer to assessors





Permit	>>>	Inspection	>>>	Additional work identified	>>>	Secondary permit fees and penalty assessed (3X + \$300)
Assessor visit	>>>	Inspection	>>>	Additional work identified	>>>	Referral to Inspections - Penalty permit fees (5X) and penalty issued (\$500)
Assessor visit	>>>	Visit/Notice	>>>	No response to notice and mailer	>>>	Secondary notice (plus \$50 fee) - Waived upon inspection
			>>>	No response to secondary notice and mailer	>>>	Denial assumed - \$300 denial fee assessed - Waived upon inspection